LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **FEBRUARY 3, 2009**, upon the application of **SOUTHERN STAR OPERATING**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Cotton Valley Zone**, **Reservoir A** and the **Haynesville Zone**, **Reservoir A**, in the Sentell Field, Caddo and Bossier Parishes, Louisiana.

- 1. To establish rules and regulations and to create six (6) drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
- 2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Zone, Reservoir A.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate unit wells for, and a unit operator of, the proposed units as may be appropriate.
- 5. To propose that future wells drilled to the Haynesville Zone, Reservoir A, within or outside of the units proposed herein, be located no closer than 330 feet to any unit boundary and no closer than 660 feet to any well completed in, drilling to, or for which a permit has been granted to drill to the Haynesville Zone, Reservoir A.
- 6. To provide that with respect to any horizontal well drilled to the Haynesville Zone, Reservoir A, in the proposed units, where the horizontal lateral portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus.
- 7. To define the Haynesville Zone, Reservoir A, as that interval encountered between the measured depths of 9,915' and 11,315' in the Southern Star Operating, Inc.-Atkins-Lincoln 17 No. 2 Well, located in Section 17, Township 19 North, Range 13 West.
- 8. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 251-F, effective January 16, 2008, as supplemented and amended by the Order No. 251-F Series of Orders, to the proposed additional units for the Cotton Valley Zone, Reservoir A.
- 9. To consider such other matters as may be pertinent.

The Cotton Valley Zone, Reservoir A was defined in Order No. 251-F, effective January 16, 2008.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana. www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 12/17/08;12/22/08 L lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.